

MINUTES
JOINT SAND CITY COUNCIL AND REDEVELOPMENT AGENCY

CITY COUNCIL CHAMBERS
REGULAR MEETING MAY 2, 2006
7:00 P.M.

Mayor Pendergrass opened the meeting at 7:03 p.m.

Police Chief Klein led the Pledge of Allegiance

Present:

Council Member Blackwelder
Council Member Carbone
Council Member Hubler
Council Member Morris
Mayor Pendergrass

Staff:

Kelly Morgan, City Administrator
Steve Matarazzo, Community Development Director
J. Michael Klein, Police Chief
Jim Heisinger, City Attorney
Richard Simonitch, Assistant City Engineer
Linda Scholink, Director of Admin Services/City Clerk
Charles Pooler, Associate Planner

AGENDA ITEM 4, COMMUNICATIONS

- A. Written communications distributed to the Council included a Monterey Regional Waste Management memorandum, an example of a modern Parking Structure, and a Monterey Bay Rapid Transit Regional Seminar notice for May 11th.
- B. 7:05 p.m. The floor was opened for Public Comment

Chris Moneypenny (Sand City Resident): Asked the Council if the 1/2 cent transaction tax was earmarked for street improvements. The City Administrator explained that the transaction tax is going into the general fund and is being used for several pending capital projects including the water supply project, parking improvements and street repair.

7:07 p.m. The floor was closed to Public Comment

AGENDA ITEM 5, CONSENT CALENDAR

The Consent Agenda consists of routine items for which City Council approval can be taken with a single motion and vote. A Council member may request that any item be placed on the Regular Agenda for separate consideration.

- A. There was no discussion of the April 18, 2006 Council Meeting Minutes
- B. There was no discussion of City/Redevelopment Agency Financial Report, March 2006
- C. There was no discussion of City **RESOLUTION** Declaring the Week of May 13-21, 2006 as Monterey County Bike Week
- D. There was no discussion of City Donations/Contributions

(1) Request by The Herald "NIE Program" - \$200.00

Motion to approve the Consent Calendar was made by Council Member Blackwelder, seconded by Council Member Carbone. AYES: All Council Members. NOES: None. ABSENT: None. ABSTAIN: None. Motion Carried.

AGENDA ITEM 6, CONSIDERATION OF ITEMS PULLED FROM CONSENT CALENDAR

There were no items.

AGENDA ITEM 7, PUBLIC HEARINGS

{Due to a possible conflict of interest by residing within 500' of the project area, Council Member Blackwelder abstained from the next three items and left the dais}

- B. *This item was taken out of order, due to the applicant for Item # 7A not being present.*

Associate Planner presented City **RESOLUTION Approving Coastal Development Permit 06-06 for Gregory Gostanian to Utilize an Existing Fenced Storage Yard for the Temporary Establishment and Use of a Mobile Office Trailer, Construction Equipment and Vehicles (APN 011-243-002 & 006)**. The property is owned by the Sand City Redevelopment Agency, for the planned desalination facility. The proposed use is intended only as an interim use until the desalination project is ready to proceed. The applicant proposes to use the existing fenced yard to set up a self-contained officer trailer and to store construction equipment, vehicles, and containers for tools related to the applicant's construction business. The applicant proposes to lease about half, (11,500 square feet) of the site. No grading or other improvements are proposed with exception to installing motion sensitive security lighting. Staff has conferred with the Water District staff, and an allocation is required for the office trailer, regardless if water is trucked in. The applicant cannot have an office trailer on the site unless the City/Agency allocates 0.100 AF of water credit. This allocation of water credit to the site, to accommodate the temporary use, will remain within City/Agency's control as the property

owner. Water for the temporary trailer would have to come from one of the Agency's credit reservations, not expected to be needed within the next year. Therefore, the temporary trailer can be facilitated, so long as the allocation is temporary and returned to the City/Agency when needed to meet those other obligations. Staff recommends approval of a temporary Coastal Development Permit.

7:24 p.m. The floor was Open for Public Comment

Gregory Gostanian, (Applicant): He is currently in Fort Ord and must move out, which he was not anticipating. This site will work well for him as a temporary use while he looks for a more permanent site. He is in agreement with the 90-day notice from either party to terminate the lease. He would like to research having a water meter installed and sewer hook up. The Council responded that as long as he was responsible for the charges, he could go ahead with adding a water meter and sewer connection.

7:29 p.m. The floor was closed to Public comment.

Motion to approve the **Resolution** was made by Council Member Hubler, seconded by Council Member Morris. AYES: None. NOES: None. ABSENT: None ABSTAIN: Council Member Blackwelder. Motion Carried.

AGENDA ITEM 8, OLD BUSINESS

{This item was taken out of order-to coordinate with Item # 7A above}

- A. The City Administrator presented the draft commercial lease agreement between the Redevelopment Agency and Gostanian General Building Corporation. Sand City Redevelopment Agency acquired property at the west end of the 300 block of Elder and Shasta Avenue from the Campos family back in 2002. The intent of this purchase was either to facilitate Sand City's goal of a desalination project or to accommodate other goals of the Redevelopment Agency.

Recently, Pete Erickson submitted a lease proposal for the Gostanian General Building Corporation, for temporary use of the Agency's property to store a mobile office, equipment, and vehicles associated with the Lessee's contractor business. A small allocation of water credit is required, per the regulations of the Monterey Peninsula Water Management District, for the office trailer.

Mr. Gostanian is aware that his use of the Agency's property will be temporary. The attached proposal is to lease the Campos site for 1-year with option of two 1-year extensions with 90-day prior written notice of intent to terminate. However, staff recommends a modification of the lease, that the base term is for one (1) year, with two 1-year extensions that may be cancelled at any time with 90-day prior notice. The lease is for only half of the site, and the Lessee will install temporary fencing along the center of the property. The lease amount would be \$1,000 per month for half of the property. (APN 011-243-002 & 006)

(1) Motion to approve **Resolution of the Sand City Redevelopment Agency Authorizing a Commercial Lease Agreement Between the Sand City Redevelopment Agency, as the Lessor, and the Gostanian General Building Corporation, as the Lessee, for the Temporary Use of Agency Property (APN 011-243-002 & 006) and Existing Fenced Yard for the Storage of a Mobile Office, Equipment, and Vehicles associated with the Lessee's Contractor Business** was made by Agency Member Carbone, seconded by Agency Member Morris. AYES: Agency Members Carbone, Hubler, Morris and Pendergrass. NOES: None. ABSENT: None. ABSTAINED: Agency Member Blackwelder. Motion Carried.

(2) Motion to approve **Resolution of the Redevelopment Agency of Sand City Authorizing a Temporary Water Allocation of 0.100 Acre-Foot for the Establishment of an Office Trailer on Property Owned by the Redevelopment Agency at the end of the 300 Block of Shasta and Elder Avenues (APN 011-243-002 & 006)** was made by Agency Member Hubler, seconded by Agency Member Carbone. AYES: Agency Members Carbone, Hubler, Morris and Pendergrass. NOES: None. ABSENT: None. ABSTAINED: Agency Member Blackwelder. Motion Carried.

AGENDA ITEM 7, PUBLIC HEARINGS

(This item was taken out of order)

- A. Associate Planner Pooler presented City **RESOLUTION Approving Conditional Use Permit 475 Allowing an Art Gallery to Operate at 480 Elder Avenue**. The gallery will be open by appointment only. It is planned that the business will be geared to the internet. Items stored, displayed, and sold will include original art works, murals, posters, historic photographs, banners, books automotive models, and auto-related antiquities. Shipments will predominantly consist of overnight air and ground carriers. The applicant plans on holding randomly scheduled special events. Due to the limited on-site parking, special events should be limited to once per month in the evening hours only. On-site water credit is adequate to facilitate the proposed use. Staff recommends approval of the Conditional Use Permit.

7: 36 p.m. The floor was Opened for Public Comment

Sandra Button, (Applicant): Explained to the Council that most of her sales would take place over the Internet. She agreed with all of the conditions, and added that there would not be many special events.

7:38 p.m. The floor was closed to Public Comment

Motion to approve the **Resolution** was made by Council Member Carbone,

seconded by Council Member Hubler. AYES: Council Members Carbone, Hubler, Morris and Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Member Blackwelder. Motion Carried.

{Council Member Blackwelder returned to the dais}

{Due to a possible conflict of interest by leasing workspace within 500' of the project area, Council Member Hubler abstained and left the dais}

- C. Associate Planner Pooler presented City **RESOLUTION Approving an Amendment and Extension of Coastal Development Permit 02-03 for Gary Haedrich to Allow the Continued Storage Yard of a 50-Foot Encroachment into the Railroad Right-of-Way.** A coastal development permit was issued in April 2002 to the Meadows Property Company, to allow an open storage yard within the railroad right-of-way. This permit was approved with a two(2) year time that expired in April of 2004, and was granted a two-year time extension until April 30, 2006. Continuation of the storage yard requires action by the City Council to extend the time frame of the permit. The yard is used to store automobiles associated with the Mark's Barn operation. The current use of the storage yard has not had any known overriding detrimental impacts. Staff is not concerned with continuation of this yard use, so long as it is temporary and does not impede long-term planning goals of Sand City. Staff recommends that all permit conditions, as approved in 2001, and amended in 2003, remain in effect for any time extension granted. The City Engineer has applied on behalf of Sand City for a parking lot to be constructed within the rail right-of-way. Time extension of the permit should not become an impediment towards this endeavor. Staff recommends Condition No. 4 be amended to reflect this effort as outlined in the report. This recommendation is consistent with Council action in the amendment and extension of the coastal development permit for Vito Giustiniani's storage yard use.

Staff recommends approval of an amendment of Condition No. 4 allowing an indefinite time extension for the Meadows Property Company.

7:42 p.m. The floor was Open for Public Comment

The applicant was not present, but Council member Carbone said that she had run into the applicant and the applicant had told her that they were fine with the conditions of the permit.

7:42 p.m. The floor was closed to Public Comment

Motion to approve the **Resolution** was made by Council Member Morris, seconded by Council Member Blackwelder. AYES: Council Members Blackwelder, Carbone, Morris and Pendergrass. NOES: None. ABSENT: None. ABSTAIN: Council Member Hubler. Motion Carried.

{Council Member Hubler returned to the dais}

- D. City **RESOLUTION Approving an Amendment of Conditional Use Permit 458 and Coastal Development Permit 05-02 for John Avery to allow Continued Temporary Use of Property at 490 Orange Avenue for a period of 90-Days.**

This item was continued to the next regularly scheduled Council meeting on May 16, 2006, due to the applicant not being present. The Council felt it was best to continue it and give the applicant another opportunity to attend the meeting and update the Council on his planned construction schedule.

AGENDA ITEM 9, NEW BUSINESS

- A. The Community Development Director presented the List of Candidates for the Parking Committee. The Mayor suggested Jerry Lomax, resident and Terry Ream and David Spradling, both property owners. The Council agreed with the Mayor's recommendations. The Council requested that the City Attorney contact the FPPC regarding the 500' rule and how the rules might apply to the Parking Committee. The City Attorney responded that he would report back to the Council at the May 16th meeting.
- B. Consideration of City Council Meeting for Holiday Observances. The Council agreed to have only one Council Meeting in July, and that Council meeting will be held on July 18, 2006, and the July 4th Council meeting will be cancelled.
- C. The City Administrator reviewed the Amendment to the Combined City/Redevelopment Agency Budget for Fiscal Year 2005-2006. He explained that the Budget Committee had reviewed the amended budget in detail on April 25th, 2006. The major changes in the budget were due to the City's Desalination project and other major developments that have not progressed as quickly as they were anticipated. The original 2005-2006 budget had a positive balance of \$327,030 for the year; and the amended budget projects a positive \$781,280 balance at the end of the fiscal year. The Council requested temporary road improvements be included in the fiscal year 2006-2007 budget.

Council Member Morris brought up the PERS 3% @ 60 retirement benefit for the Miscellaneous employees that was originally approved back in 2002, and was included in the 2005-2006 budget. The Mayor asked that this item be brought back for the Council review as soon as possible. The Resolution was also amended in the fifth resolve statement.

- (1) Motion to approve **City RESOLUTION of the City Council of the City of Sand City Adopting Amendment # 1 to the Combined City and Redevelopment Agency Budget for Fiscal Year 2005-2006** as amended was made by Council Member Blackwelder, seconded by Council Member Morris. AYES: Council Members Blackwelder, Carbone,

Hubler, Morris and Pendergrass. NOES: None. ABSENT: None. ABSTAINED: None. Motion Carried.

- (2) Motion to approve **Redevelopment RESOLUTION of the Sand City Redevelopment Agency Adopting Amendment # 1 to the Combined City and Redevelopment Agency Budget for Fiscal Year 2005-2006** as amended was made by Agency Member Blackwelder, seconded by Agency Member Hubler. AYES: Council Members Blackwelder, Carbone, Hubler, Morris and Pendergrass. NOES: None. ABSENT: None. ABSTAINED: None. Motion Carried.

- D. The Assistant City Engineer reported that he had a meeting with the striping contractors. The contractors are looking at the slurry seal on the streets that have not been worked on in the last ten years. Next Tuesday, the storm drain interceptors will be worked on in the Costco parking lot. The City Administrator reported that the U.S. Fish and Wildlife Service has not delisted the Snowy Plover.
- E. Police Chief Klein reported to the City Council on the upcoming Annual City Bar-B-Que scheduled for May 20, 2006. The sculptures that were submitted for the Design Center Competition will be on display at the Bar-B-Que.
- F. The Mayor reviewed the Upcoming Events and Meetings.

AGENDA ITEM 10, CLOSED SESSION

- A. It was determined that the City Council did not need to adjourn to Closed Session to confer with legal counsel regarding existing litigation pursuant to §54956.9(a) of the Ralph M. Brown Act, CalAm Water v. Seaside, Sand City et al
- B. Closed Session was not held.

AGENDA ITEM 11, ADJOURNMENT

Motion to adjourn was made by Council Member Blackwelder, seconded by Council Member Hubler to the regularly scheduled Council meeting on May 16, 2006. There was unanimous consensus of the City Council to adjourn at 8:38 p.m.


Linda Kay Scholink, City Clerk